

REAL ESTATE COMMISSION
Professional & Vocational Licensing Division
Department of Regulatory Agencies
State of Hawaii

MINUTES OF MEETING

Date: Wednesday, April 22, 1970

Place: Board Room, Kamamalu Building, 1010 Richards Street, Honolulu, Hawaii

Present: Herbert S. Isonaga, Chairman
Douglas R. Sodetani, Vice Chairman
Louis Cannelora, Member
Irving A. Jenkins, Member
Hiromu Yamanaka, Member
William H. C. Young, Member

Yukio Higuchi, Executive Secretary

George A. Morris, Jr., Executive Vice President, Honolulu Board
of Realtors

Absent: Harold J. Silva, Member

Mr. Edwin H. Honda, Director of Regulatory Agencies, briefed the Commission on the history of the departmental fiscal policies pertaining to claims for reimbursement of justified expenditures incurred by commission and board members in performing their duties. Mr. Honda welcomed comments from the members and discussion followed. Mr. Honda thanked the Commission for the opportunity to discuss the matter and advised the Commission that he will study and consider the matter further and hopefully be able to establish policies and procedures to relax some of the present requirements.

Call to Order: There being a quorum, the Chairman called the meeting to order at 2:40 p.m.

The Chairman announced that the appointment of Mr. John Texeira to replace Mr. Irving A. Jenkins on the Commission was confirmed by the Senate. Although Mr. Texeira has not been sworn in as yet, the Chairman took the opportunity to express the Commission's sentiment of appreciation and gratitude to Mr. Jenkins for his devoted contributions and efforts while serving on the Commission. All members were in accord with the Chairman's expression.

Reading of Minutes: Upon motion, the minutes of the March 19, 1970 meeting was approved as circulated.

Upon motion, the Commission expressed their appreciation to the Executive Secretary for preparing and circulating the minutes of the March 19, 1970 meeting prior to this meeting date.

Business Out
of Minutes:

Registration of Similar Business Names - The Commission was advised that the Licensing Administrator had made arrangements with the Business Registration Office sometime back to notify the Licensing Administrator when there is any conflict or similarity in applications for business names of real estate firms and/or partnerships. Inasmuch as this matter has been attended to sometime back, no further written action was taken by the Licensing Administrator at this time.

Great Hawaiian Realty, Inc. - Reported that the temporary permit taken out by Great Hawaiian Realty, Inc., to set up a booth at the Honolulu International Center from March 19-22, 1970 in conjunction with the Cherry Blossom Activities, was for the purpose of promotional and public relations only, and no sales are made or contracts are signed at the H.I.C. It was the consensus of the Commission members that a temporary permit is not required for temporary operations that are purely for promotional and public relations purposes, and no sales are made or contracts are signed at the temporary site.

Investigations: RE-350 Chase Pacific, Inc. - Under date of March 17, 1970, Mrs. Hannah K. Veary, the complainant, was informed that the Commission would like to postpone proceeding in the matter until the Court had rendered its judgment. Reported that on April 9, 1970, a Stipulation for Dismissal and Order was approved and ordered by Judge Yasutaka Fukushima, of the 1st Circuit Court, State of Hawaii, in the matter. The plaintiff and the defendants stipulated and agreed to dismiss the action with prejudice and further agreed that each party bear its respective costs incurred in the matter.

Upon motion, the Commission decided to inform the complainant that the Commission considered the matter closed on the basis of the Court's action.

RE-355 Raymond J. Proctor - Reported that the Commission's Decision was received by the respondent on March 24, 1970, and no appeal has been filed as of April 21, 1970.

Upon motion, the Commission decided to consider this matter closed.

RE-361 Richard D. Dollnig - Reported that subsequent to meeting all licensing requirements, Dollnig was granted a salesman's certificate effective April 4, 1970.

Upon motion, the Commission decided to consider this matter closed.

RE-362 & 375 Betsy Christian/Action Realty, Inc. - Reported that Deputy Attorney General Jeffrey Watanabe is redrafting the charges against respondent. The Commission reminded itself that it must move fast on this matter.

RE-363 Floyd T. Kaneshiro - Reported that Robert Bekeart is still working on the draft of charges. The Commission directed the Executive Secretary to determine whether this matter has been filed with the Court for payment through the Real Estate Recovery Fund. If so, the Commission will wait for Court judgment before taking any action against respondent.

RE-368 Patricia A. Smith (AKA Pat McCool) - Reported that charges for hearing have been drafted by Robert Bekeart which will be submitted to the Licensing Administrator for review and transmittal to the Attorney General. Patricia Smith is being charged with failure to account for monies belonging to others which were under her possession and control. Bekeart is also looking at the matter in an attempt to embrace Charles Clark, the principal broker, for improper supervision over Patricia Smith.

RE-371 Makaha Beach Cabanas - Upon motion, the Commission decided to dismiss the complaint against the developer of Makaha Beach Cabanas. The Executive Secretary was directed to advise the complainants that inasmuch as they (Ho and Nobuta) were involved in the transaction as joint ventures with the developer, the Commission feels that this problem is a civil matter and should be resolved in court. Furthermore, the Commission feels that the developer made reasonable effort in notifying purchasers of the changes.

RE-377 Union Investment, Inc. - Reported that complainant wrote to the Commission on March 24, 1970 to inquire what the Commission is doing to locate Violet L. Young. By letter dated April 14, 1970, the Executive Secretary informed complainant of the results of all efforts made by Investigation Branch in trying to locate Violet L. Young. Complainant was again asked for any additional information or leads he might provide to assist our investigator in locating Violet L. Young. The Commission decided that investigation will continue upon receipt of additional information or lead from complainant.

RE-379 & 383 Growth International Realty - Reported that rough drafts of hearing notices against the corporation and the principal broker have been submitted to the Licensing Administrator for transmittal to the Attorney General. The Commission directed Executive Secretary to notify complainant that the Commission is pursuing the matter and moving toward a hearing.

RE-389 & 390 David Schreiber - Reported that warning letter was sent to respondent on April 6, 1970 to cease his questionable real estate activities.

Upon motion, the Commission decided to consider these matters closed.

RE-386 Larry and Lydia Stevens, Brokers, and Edward Cull, Salesman-
Upon motion, the Commission decided to dismiss the complaint

against Larry and Lydia Stevens and Edward Cull inasmuch as the Commission found no violation. Executive Secretary was directed to notify the complainant that no violation was found and considers the matter closed.

Adrianus Holgen - It was reported that no application for a salesman license has been received as of April 21, 1970, but all derogatory materials have been compiled in the event Holgen applies for a license and the Commission decides to deny Holgen issuance of a license.

Real Estate Commission v. Violet King (Civil No. 28826) - Reported that Judge Y. Fukushima has set trial on this matter for the week beginning May 25, 1970.

Night Inspections of Real Estate Branch Offices

Reported that Investigation Branch was unable to follow through on the Commission's request that night inspections be conducted of real estate branch offices in the Waikiki area due to heavy investigation workload. Assurance was given that the Commission's request will be complied with by the next Commission meeting.

New Businesses: Licensing

Corporations

RV Enterprises, Inc. dba Lewis Realty
(formerly dba Lewis Tropic Isles Realty)
Kan Pak Realty, Inc.
Veterans Realty Co., Ltd.
Akamai Realty, Inc.
Inter-Island Properties, Inc.

Principal Broker

Russell Lewis
Gerald R. Thompson
Ben W. Alpuerto
Theron C. Macleod
Helen K. Wilkinson

Partnerships

Seong & Yagi, Realtors

Clarence K. Seong

DBA

Tremper Realty
Pan Pacific Properties
James Greenan, Realtor
T. C. Yim Realty
Ransom Realty
C & L Realty
Mac McLaren Realtors

Theodore P. Tremper
Oscar H. Fish
James C. Greenan
Tai Choy Yim
Ransom I. Bovee
Clarence C. W. Lee
Ennis C. McLaren

Branch Offices

None

Temporary

None

Upon motion, the license processings of the above as tentatively authorized by the Licensing Administrator, were approved.

Results of February 24, 1970 Real Estate Examinations

The result of the February 24, 1970 examination prepared by Examination Branch was accepted for filing. Four copies of the results are made a part of this minutes.

Complaint Letters Against Management of Marine Surf Hotel Apartment

Complaint letters from Florence Plucard and Frank J. Smith regarding the mismanagement of the Marine Surf Hotel Apartments were presented for discussion.

Upon motion, the Commission decided to dismiss the complaint, inasmuch as the Commission feels that this problem does not fall within the purview and authority of the Commission. Executive Secretary was directed to notify the complainants of the position taken by the Commission.

Requests for Interpretation of Laws and Rules

E. D. Crumpacker's letter was presented to the Commission for any comments they wish to make. The Executive Secretary was directed to inform Crumpacker that the Commission has no opinion on the matter at this time.

Michael T. I. Kim's letter of inquiry was presented to the Commission for direction in answering the letter. The Executive Secretary was directed to inform Kim that a certified property manager (CPM) engaged exclusively in rental and caretaking is exempt from the requirement for real estate brokers and salesman, provided he is a salaried employee of the developer and does this work for only one project. If he does this for more than one project, a real estate license is required.

Hawaii Council for Housing Action - The Commission was presented with a letter dated April 21, 1970 from the Hawaii Council for Housing Action requesting for exemption from the provisions of the statutes requiring a corporation to be licensed as a real estate broker, inasmuch as the corporation is a nonprofit corporation engaged in a proposed condominium project to provide housing for low and modest income families. The Executive Secretary was directed to get a description of the entire program and present to the Chairman for review.

Educational Comprehensive Profile - The Executive Secretary was directed to determine when Professor Don Bell will submit his final report on the Educational Comprehensive Profile to the Commission.

Miscellaneous: 1970 Legislature

S.B. No. 1723-70 Relating to Educational Standards for Real Estate Licensees.

Mr. Douglas Sodemani gave a brief oral report of the Senate Judiciary Committee hearing on April 1, 1970 which he attended in the Chairman's absence from the State.

1970 Narello Western Conference - In the absence of Mr. Jack Palk, the Chairman made a progress report of the plans for the 1970 NARELLO Western Conference.

Real Estate Recovery Fund

Allbritton v. Interstate Realty - The Chairman reported that the Court has granted judgment in favor of Allbritton for payment to be made by the Real Estate Recovery Fund. Upon motion, the Commission decided not to appeal the judgment on the advice of the Attorney General. The Executive Secretary was directed to have the check prepared and hand delivered to the Attorney General for proper release.

Suzurikawa v. Floyd T. Kaneshiro and United State Fidelity & Guaranty Co. - The Commission was advised that notice has been served on the Commission on April 6, 1970 advising that suit has been initiated for judgment against Floyd T. Kaneshiro, which may result in collection from the Real Estate Recovery Fund.

Condominiums: An oral progress report on the status of pending condominium filings was made by the Executive Secretary.

Date of May 21, 1970, 2:00 p.m.
Next Meeting:

Adjournment: There being no further business, the meeting was adjourned by the Chairman at 4:45 p.m.

Recorded by:


YUKIO HIGUCHI, Executive Secretary